

Saskmilk

UPDATE

July 15, 2011

QUOTA EXCHANGE

The market-clearing price established for the July, 2011 Quota Exchange was **\$30,000.00**.

The next Quota Exchange will be held on August 15, 2011. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, August 6, 2011. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

The results of the Quota Exchange are outlined in the following Table.

JULY, 2011 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	\$30,000.00
Daily Kilograms offered to Purchase	40.00
Kilograms offered to Sell	117.02
Kilograms sold	40.00
Number of Producers	
- offered to purchase	1
- purchased quota	1
- offered to sell	4
- sold quota	4

JULY, 2011 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price (\$/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
27,500.00	1	1	12.33	12.33	-27.67	40.00	0.00	0	0
28,000.00	1	2	1.19	13.52	-26.48	40.00	0.00	0	0
28,498.00	1	3	3.50	17.02	-22.98	40.00	0.00	0	0
30,000.00	1	4	100.00	117.02	77.02	40.00	40.00	1	1

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
June	17	14	17,870
July	12	9	7,641
August	7	7	6,926
September	15	21	28,149
October	15	12	18,550
November	23	21	31,871
December	25	26	33,472
January/11	27	20	29,306
February	25	19	25,424
March	38	34	37,078
April	21	14	20,912
May	14	16	17,747
June	20	17	21,400

OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
June 2010	5	360
July	4	504
August	0	0
September	0	0
October	1	2
November	2	615
December	1	307
January 2011	0	0
February	2	134
March	0	0
April	1	104
May	2	185
June	2	392

SUMMARY REPORT OF CREDITS AS OF June, 2011 – 183 PRODUCERS

DAYS	# OF PRODUCERS	POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
+10	2	1,081
+ 5 to +10	13	6,942
0 to + 5	28	5,779
TOTAL	43	13,803
DAYS	# OF PRODUCERS	NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
-20	19	-33,244
-15 to -20	35	-112,670
-10 to -15	28	-43,878
-5 to -10	29	-30,260
0 to -5	29	-9,094
TOTAL	140	-229,146

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
June	5	4,108
July	6	4,673
August	10	7,398
September	8	3,646
October	10	5,986
November	33	25,200
December	20	6,612
January, 2011	18	3,201
February	20	5,047
March	13	2,251
April	20	5,157
May	24	6,688
June	18	5,490

WEIGHTED AVERAGE COMPONENT TESTS & PRICES June, 2011

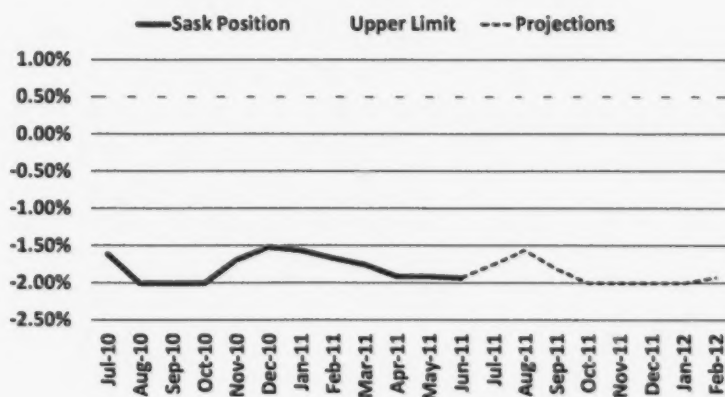
Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.7474	\$10.932377
Protein	3.2546	\$7.932360
Other Solids	5.7000	\$1.132315

Based on the average component tests for the province, the average price received was \$73.2391 per hectolitre. The average butterfat price received per kilogram was \$19.53.

SASKATCHEWAN MILK POOL RESULTS June, 2011

Milk Sale Revenue	\$ 14,033,751.78
Western Milk Pool	\$ +169,280.29
Truck Seals	\$ -4,405.90
Dairy Farmers of Canada Skim Off	\$ - 18,225.64
Plant of Last Resort Service	\$ - 56,583.33
Total Pool Value	\$ 14,123,817.20

SK Milk Production



FORM DEADLINES TO BE STRICTLY ENFORCED

Producers, please be reminded of the following deadlines for submitting forms to the Board office. All forms must be 100% complete to be considered. **These deadlines will be strictly enforced by the Board, no exceptions.**

When mailing, faxing or emailing forms to the Board, producers should call the Board office to ensure that their forms have been received prior to the deadline.

1. Private Quota Transfers – forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month. This deadline also applies to farm name changes and moving to new production facilities.
2. Quota Exchange Bids – forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month
3. Transfer Credits – forms due by 11:59p.m. on the 20th day of each month for an effective date of the 1st day of the same month
4. Banking Information Changes – Producers changing bank account information must notify the Board of this change at least 7 days prior to the next producer payment date.

In June, Saskatchewan had a monthly CDC allocation of **725,664 kilograms** of butterfat. In the month of June, Saskatchewan production was **-2,605 kilograms** of butterfat **under** and cumulatively **under** by **-170,850 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-1.93%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower limit is in effect.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 - 2 = 3	(4) Lower Flexibility Limit (1.5%) Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit 1.0% Kgs bf col. 9 * 1.0%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
June-10	684,369	694,478	(10,109)	(128,998)	42,999	(131,333)	-1.53%		8,599,843
July-10	697,489	704,201	(6,712)	(128,936)	42,979	(138,053)	-1.61%		8,595,753
Aug-10	682,923	717,474	(34,551)	(129,144)	43,048	(172,194)	-2.00%	(410)	8,609,692
Sep-10	673,445	727,727	(54,282)	(129,713)	43,175	(172,699)	-2.00%	(53,777)	8,634,934
Oct-10	694,237	756,826	(62,589)	(129,614)	43,207	(172,830)	-2.00%	(62,458)	8,641,482
Nov-10	686,111	752,717	(66,606)	(130,059)	43,353	(146,520)	-1.69%	(92,915)	8,670,615
Dec-10	731,120	785,901	(54,781)	(130,400)	43,467	(131,008)	-1.51%	(70,294)	8,693,300
Jan-11	742,948	758,126	(15,178)	(130,878)	43,626	(135,861)	-1.56%	(10,324)	8,725,211
Feb-11	673,205	682,398	(9,193)	(131,181)	43,727	(145,054)	-1.66%	0	8,745,397
Mar-11	748,293	757,080	(8,787)	(175,333)	43,833	(153,501)	-1.75%	0	8,766,601
Apr-11	723,139	737,593	(14,454)	(175,933)	43,983	(167,955)	-1.91%	0	8,796,654
May-11	750,663	750,954	(291)	(176,510)	44,127	(168,245)	-1.91%	0	8,825,483
June-11	723,059	725,664	(2,605)	(177,133)	44,283	(170,850)	-1.93%	0	8,856,669

(1) Monthly Production in Saskatchewan

(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward

(3) Difference between the monthly production (1) and the total monthly quota (2)

(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)

(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)

(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)

(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits

(8) Over Quota or (Lost production opportunity) outside of flexibility limits

(9) Total Monthly CDC Quota Allocation for the previous 12 months

THE STEEP LEARNING CURVE FOR A NEW BOARD MEMBER

When I first became a Board Member, the only thing that I brought to the table was my own experience as a dairy and grain farmer. I am now beginning to understand some of the reasons things are done in a certain way, the time it takes for those decisions to come to finalization and even though I may not have thought so at the beginning, the Milk Marketing Board has not only my best interest on the table, but also the interest of the entire provinces.

As a new Board Member as of last November, I believed that when I entered into this position my involvement would be more with the day to day things that happen at the Milk Marketing Board. Exactly the opposite happens at our monthly meetings. Some of the many things that we look at include marketing, western milk pooling and policies. These discussions are sometimes five to ten years away from implementation. There are policies and decisions coming in our direction that we must prepare for so we as a province can make sound decisions for our provincial industry or at the very least have some good judgement in the direction we need to go. Some of these things, such as sharing production blips with western partners and transportation issues that are so very different between provincial borders and the distance within Saskatchewan with the large pickups that are getting larger by the month. Looking at the impact of having only one milk plant in our province when some provinces have several and how over time this may change for our province. The vast resources in Saskatchewan are just starting to be utilized to some of their potential as we move from an agricultural based economy to one that is a world-wide resource-based economy.

Something that I became aware of shortly after being elected to the Board was that there is a lot of time spent on the computer reading and trying to keep on top of all the information being sent to us. I have come to appreciate the fact that our meetings are the length they are so we can be as well informed as possible before a decision is put forth. I have learned to appreciate our longer term Board Members, both past and present, for the enormous number of hours they have dedicated to Board meetings, meeting with provincial representation, conferences and staying on top of changes in not only our province and within Canada. I have also learned how very important it is for us to have a provincial board. There are a very diverse group of individuals on this Board with a very diverse personality base, but I believe we work well together with a common goal in mind, that being, keeping our milk producers on even ground with other milk producers across this country.

CLASS 1 MILK PRICE ADJUSTMENT

In accordance with the pricing announcement received from the Canadian Dairy Commission, and approved by the Western Milk Pool Coordinating Committee, please be advised that effective August 1, 2011, the Class 1(a) and (b) price in Saskatchewan will be adjusted as follows:

Current Prices

Class 1(a)
\$5.7262 per kilogram of butterfat
\$70.33 per hectolitre of skim milk
Class 1(b)
\$5.7262 per kilogram of butterfat
\$63.22 per hectolitre of skim milk

August 1, 2011 Prices

Class 1(a)
\$6.0573 per kilogram of butterfat
\$72.69 per hectolitre of skim milk
Class 1(b)
\$6.0573 per kilogram of butterfat
\$59.82 per hectolitre of skim milk

GST ON JUNE, 2011 PRODUCER STATEMENT

SaskMilk requested a GST ruling from Canada Revenue Agency in September, 2010 on the SMMB promotion/administration levy. **The ruling was requested when SMMB moved from a government Crown Agency to a Marketing Board.** SaskMilk received the ruling earlier this month indicating that GST is required to be applied on the SMMB promotion/administration levy effective the June, 2011 month-end payment. Producers must ensure they include this GST payment on GST remittance forms in the future.

DECREASE IN PRICE FOR JUNE, 2011

Producers will notice a decrease in June prices from May, 2011. The billing to the processor was approximately 1.6 million dollars less in June from May. This was due to Canadian Dairy Commission permits for Skim Milk powder being filled in June. This is normal at this time of the year as the CDC purchases the last of 2010/2011 requirements. SaskMilk anticipates pricing to return to more traditional levels next month.

QUOTA LISTING SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk.

Quota &/or Cows wanted to Purchase

- Wanted: Holstein bull calves within 50 mile radius of Pike Lake. Must have had 2 days of colostrum. Contact Nolan Kinzie @ (306) 384-8525
- Wanted: 40 fresh cows with 14,600 kg b.f. Contact Pieter or Jan. Phone or Fax (306) 329-4686
- Quota wanted up to 100 kg of daily quota for mid to late summer. Contact (306) 947-4702 or (306) 221-9083
- Wanted – baby calves one week and older, also some started calves up to 800 lbs. Contact Ralph Lesage @ (204) 745-7917
- Wanted – Dairy Cows or bred heifers. Call anytime/leave message (604) 855-2731 or (306) 867-2176
- Wanted to purchase cows and quota. Contact Ken (306) 229-4591
- Holstein bull calf buyer serving Saskatoon and area. Competitive pricing and bi-weekly pickup. Call Dave Neels (403) 635-1415.

Quota & Cows for Sale

- **RARE FIND in Saskatchewan!** Going concern dairy within 40 minutes of Saskatoon. 100 cow drive thru free stall barn with double 3 parlor. 119.21 kg daily quota. 633 acres deeded with 80 acres of lease all in a block. 200 gallon per minute well with reverse osmosis system that supplies house, trailers, barn, corrals and parlor. Includes all buildings, livestock, dairy equipment and farm equipment. Price \$5,590,000. For more details call Wes Lehmann (306) 232-7725; Brian Roth (306) 232-7784 or Rosthern Agencies (306) 232-5525.
- For sale - Rivercrest Land & Cattle: Dairy Cows for sale. Fresh and springers. Registered or Grades. Can fill any order for any amount. Call Tom @ cell (306) 220-0498 or farm (306) 225-4423.
- For sale - Breeding bulls available from high producing Vg/Ex dams. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.

Equipment for Sale

- For sale: Houle Electromix – 10 ft. agitator – less motor and pulley. Completely rebuilt. Contact Bruce Loveridge @ (306) 697-3417.
- New Dairymaster Parts available. Grain tank, auger and hydraulics for bale handler. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.
- 3000 gallon Mueller HiPerform milk tank with cooling condensers and compressor. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.
- 2004 JD 567 round baler twine or mesh wrap; 2003 macdon haybine with crimper; hay rake. Contact Daniel Strom (306) 354-2635 (home) (306) 630-4066 (cell) email: danastrom@hotmail.com
- Alfa Laval Agri Maestro Double ten milking parlor made for double seven at present. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.
- Like new Knight Reel – Auggie 3250 Stationary Feed Mixer with 15' Conveyer & Electronic Scale – Phone (306) 280-6408
- - manure dumplids 4' x 8' - \$400 each
 - 1 – 2,000 imp. gal poly water tank - \$500
 - 160 cozy cow mattresses 64" - \$25 each c/w heavy duty cover
 - various swing gates 4 and 5 bar, 10 to 14 ft.
 Call Frans @ (306) 826-5776 – home or (306) 823-7262 – Cell
- 2000 U.S. Gallon Alfa-Laval Milk Tank with cooling condensers and compressors. Contact Ferch Farms (306) 736-2205.

- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.
- Harvestore, Goliath and Hercules unloaders; 6 Tru test milk meters; Surge Electrobrain parts; Mueller tank parts. Contact Leonard Blocka (306) 764-8439 or cell (306) 960-6608.
- 16 Waikato milk meters \$250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. \$50,000. Contact Corman Holsteins (306) 933-4608

Feed For Sale

- 500 acres of alfalfa/grass mix. 60 miles south of Moose Jaw. Can cut and bale to your needs, as far as stage of the crop, etc. Can haul bales as well. Contact Daniel Strom (306) 354-2635 at home or (306) 530-4066 cell; email me at dan-astrom@hotmail.com
- Large round straw bales. Hague area. Can deliver. Contact Mel Foth (306) 232-3462.
- Pure Alfalfa hay for sale. 2010 crop – no rain. Protein 18.8 (Winnipeg test). Organic crop. Wt. average 1,650 lbs. Phone (403) 803-9117.
- 445 Alfalfa Brome Bales \$60.00/ton – excellent quality; 347 medium quality \$40/ton; 175 poor quality \$20/ton. Phone Wayne (306) 847-4450 (home) or (306) 963-7792 (cell). Bales are located at Liberty, SK.
- Hay for sale: Alfalfa or alfalfa/grass...3,000 round bales. Contact Simon Mandel (403) 664-9525.
- 155 hard core 1000 lb bales of 95% Alfalfa for sale. 3rd year crop, no chemicals used. A bit rich for most horses and meat cattle. Good for dairy cows. Located in Bulyea, 1 hour north of Regina. Can arrange for loading. Contact Brenda @ (306) 725-3367.
- For sale: 70 second cut Alfalfa round bales. Net wrapped, no rain, 19.9 protein 1650 lbs. Call (306) 948-2395 Biggar, Saskatchewan.
- Alfalfa for sale. Contact Ron (306) 477-2570 or Ken (306) 374-8980.
- All Large square bales: Flax (awesome for wind break); Canola straw and Greenfeed. Call Jake Boot (306) 867-9926 or (306) 867-3899.
- 2nd cut alfalfa round bales, net wrap. Est. 1400 lbs.; Analysis available; Protein 19.76%. Phone or fax (306) 228-3727; Unity, SK
- 6 quarters of hay/alfalfa available for long-term contract – you specify the preferred mix and handling. Ten minutes north of Estevan (306) 634-4382.

- 134 top quality 2nd cut alfalfa hay bales, very clean, all leaves intact. Call for more info. Taking offers (306) 276-2003 Nipawin
- Dairy Quality Hay 4 Sale – delivered. Contact Dale @ (204) 638-5581. Dauphin, Manitoba.
- 50 Acres Greenfeed barley for sale in Bellevue area (63 day barley seeded July 5). Fields are clean. Can sell standing or baled. Taking offers. Contact Andy Grenier at Home: (306) 423-5682 or Cell: (306) 233-7835.

Miscellaneous

- **KLOK HOOF CARE** is now serving southern Sask. Trained and certified at the Dairyland Hoof Care Institute and again at Iowa State University Vet School! Competitive rates! Contact William Klok @ (403) 894-9587 or klokhoofcare@gmail.com
- Hoof Care Trimming. Modern one of a kind trimming chute. Cattle, horses, donkeys, llamas. 22 years trimming experience. Box 35, Moose Jaw, SK. Telephone (306) 694-4234; cell: (306) 631-8013.

Miscellaneous - Wanted to Purchase

- Used Nasco breeding wheel. Contact El-Nell Farms Ltd., Darren Haupstein @ (306) 842-5655
- Wanted: 300-400 gallon used bulk tank. Call Harvey (306) 842-4701
- Milk Cooling Compressors or bulk tank with milk cooling compressors. Contact Darcy Loewen @ (306) 493-8201 or (306) 493-7631.
- Used bulk tanks, all sizes. 300-600 preferred. Abe Buhr, 18 Westcott Bay, Brandon, Manitoba R7B 2V6 Phone (204) 727-3074.

FREQUENTLY ASKED QUESTIONS

What is the maximum amount of transfer credits that I can transfer out in a month?

The maximum transfer credits a producer can transfer out in a month are equal to what the producer's cumulative under position was in the previous month. You can only transfer out to a cumulative position of zero credits.

What is the maximum amount of transfer credits that I can transfer in?

There is no limit to the amount of credits that can be transferred in within a rolling 12 month period. The only limit when transferring in credits would be to not drop below the -30 credit day limit (**-20 credit days effective the end of November**) at the end of each month or you will have lost the opportunity to carry-forward those credits to produce that milk in the future.

SaskMilk BOARD OF DIRECTORS

	<u>PHONE</u>	<u>EMAIL</u>
Blaine McLeod - Chair	(306) 756-2775	rb.mcleod@sasktel.net
Melvin Foth – Vice Chair	(306) 225-4678	fvl@sasktel.net
David Entz	(306) 741-0632	davidentz3662@gmail.com
Jack Ford	(306) 328-4700	jackford@sasktel.net
Jason Wildeboer	(306) 249-4358	skunkhollow@yourlink.ca
Isaac Klassen	(306) 249-4435	isaac00@sasktel.net
Jim Ross	(306) 697-2232	jimleeholsteins@sasktel.net
Juliann Lindenbach	(306) 771-2776	robella@sasktel.net
Sheldon Peifer	(306) 862-9470	dspeifer@sasktel.net

For further information, please contact the SaskMilk office.

444 McLeod Street

Telephone (306) 949-6999

Regina, Saskatchewan S4N 4Y1

Fax: (306) 949-2605

Website: www.saskmilk.ca

Email: info@saskmilk.ca

